

## **Audit and Governance Committee - Wednesday, 12 March 2025 Attachments**

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# UNCONFIRMED MINUTES

## Audit and Governance Committee Meeting Monday 9 December 2024

Held in the Council Chamber,  
48 Old Perth Road, Bassendean

### Minutes to be confirmed at the next Committee Meeting

These minutes are confirmed as a true and correct record.

Presiding Member's signature: \_\_\_\_\_ Date: \_\_\_\_\_

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## **1 Declaration Of Opening; Acknowledgment of Country; Acknowledgment of Visitors; Disclaimer**

The Presiding Member declared the meeting open at 5:30pm and welcomed all those in attendance.

### **Acknowledgment of Country**

The Town of Bassendean acknowledges the Whadjuk people of the Noongar Nation as the Traditional Custodians of this land. We pay our respects to Elders past and present, and acknowledge their continuing culture and the contribution they make to the region. Always was, always will be.

## **2 Announcements by the Presiding Member without Discussion**

Nil

### **3 Attendances, Apologies and Leave of Absence**

#### Councillors

Cr Ken John (Presiding Member)  
Cr Kathryn Hamilton, Mayor  
Cr Paul Poliwka, Deputy Mayor

#### Officers

Ms Waruni De Silva, Manager Financial Services  
Mr Tristan Loney, Manager Information and Technology  
Ms Joanne Burges, Manager Governance & Strategy

#### Community Member

Sasha Rademakers

#### Advisor to the Committee

Mr Ron Back

#### Guests

Mr Jay Teichert, Office of the Auditor General  
Mr Amit Kabra, RSM  
Mr Jacques Coetzer, RSM

#### Apologies

Cr Jamayne Burke  
Mr Paul White, Director Corporate Services  
Cameron Palassis, Executive Director, Paxon  
Mr Ian Ekins, Associate Director, Paxon

### **4 Declarations of Interest**

Nil.

### **5 Presentations or Deputations**

Nil.

## 7 Confirmation of Minutes

7.1 Confirmation of Minutes - 4 September 2024	
<b>Attachments</b>	1. Audit and Governance Committee 4_ September 2024 Minutes [7.1.1 - 23 pages]

### Officer Recommendation – Item 7.1

That the minutes of the Audit and Governance Committee meeting held on 4 September 2024 be received and confirmed as a true and correct record.

**Voting requirements: Simple Majority**

### Council Resolution/Officer Recommendation – Item 7.1

MOVED Ms Sasha Rademakers, Seconded Cr Ken John

That the minutes of the Audit and Governance Committee meeting held on 4 September 2024 be received and confirmed as a true and correct record.

### AGC 2024-11-19/2

CARRIED UNANIMOUSLY 4/0

**For:** Cr Ken John, Cr Paul Poliwka, Ms Sasha Rademakers and Cr Kathryn Hamilton

**Against:** Nil

## 8 Business Deferred from Previous Meeting

Nil.

## 9 Reports

9.1 Audited Financial Statements for the year ended 30 June 2024	
Property Address	N/A
Landowner/Applicant	N/A
File Reference	FIMN/AUD/7
Department	Corporate Services,
Previous Reports	N/A
Authority/Discretion	<b>Legislative</b> Includes adopting local laws, local planning schemes & policies.
Attachments	<ol style="list-style-type: none"> <li>1. Annual Financial Statements 2023/24 [9.1.1 - 52 pages]</li> <li>2. Draft Independent Auditor's Report - 30 June 2024 [9.1.2 - 3 pages]</li> <li>3. CONFIDENTIAL - Auditor's Closing Report 2023/24 [9.1.3 - 15 pages]</li> <li>4. CONFIDENTIAL - Management Letter Attachment ITGC 2023/24 [9.1.4 - 10 pages]</li> </ol>

### Purpose

The purpose of this report is to provide the Audit and Governance Committee with Audited Annual Financial Statements for the year ended 30 June 2024 and the associated attachments for endorsement.

### Background

The Audit and Governance Committee received the RSM Audit Planning Memorandum at its meeting on 12 June 2024. The primary purpose of the Audit Planning Memorandum was to brief the Town on the proposed approach by RSM Australia Pty Ltd (**RSM**), on behalf of the Office of the Auditor General (**OAG**), to audit the financial report of the Town for the year ending 30 June 2024.

The audit is now complete, and the Audited Annual Financial Statements are hereby presented to the Audit and Governance Committee.

### Proposal

For the Committee to:

- Endorse the Audited Annual Financial Statements for the year ended 30 June 2024 (**Attachment 1**);

- Receive the draft Independent Auditor's Report (**Attachment 2 – To be tabled at the meeting**);
- Note the matters contained in the Auditor's Closing Report (**Confidential Attachment 1**);
- Note the findings identified during the Information Technology General Controls Audit (Management Letter) and management responses to those findings (**Confidential Attachment 2**).

## Communication and Engagement

The Town and RSM engaged in regular communication during the conduct of the audit. The RSM audit team attended the Town for three weeks in October 2024 to conduct the audit fieldwork and the Town continued to provide documents and information to RSM through to completion of the audit.

## Strategic Implications

### Performance Area 5: Performance

9.1 Continuously improve operational performance and service delivery.

### Comment

At the time of preparing this report, the OAG has issued a draft Independent Auditor's Report expressing the opinion that the Town's financial report:

- Is based on proper accounts and records
- Presents fairly, in all material respects, the results of the operations of the Town for the year ended 30 June 2024 and its financial position at the end of that period
- Is in accordance with the *Local Government Act 1995* (the Act) and, to the extent that they are not inconsistent with the Act, Australian Accounting Standards.

For the Financial Audit, no findings were identified.

For the Information Technology General Controls Audit, 8 findings were identified, with five findings rated as "Moderate" and three findings rated as "Minor". No findings were rated as "Significant".

The findings and management responses were reported to the Committee in September 2024. At that time, it was noted that management considered the findings and recommendations reflected a continuing year-on-year improvement in ICT controls by the Town. The singular Significant finding from the 2022/23 audit, regarding User Access Management, was rated as Minor in 2023/24. Several findings resulted in recommendations relating to a governance control such as the development and implementation of a policy or procedure to reinforce a technical control, rather than the absence of a technical practice that mitigates a risk to the Town.

The Town has continued to work to address the recommendations since the September 2024 meeting of the Committee, with the status summarised in Table 1. Where relevant, further detail is provided in the Audit Findings Log as part of a separate report to the Committee.

Table 1: ITGC Audit Findings and Action Taken

<b>Finding</b>	<b>Rating</b>	<b>Action Taken</b>	<b>Status</b>	<b>Due Date</b>
Change Management	Moderate	ICT Change Management Procedure developed.	Complete	N/A
Network Security Management	Moderate	Penetration testing and network diagram completed. Information Security Policy to be developed.	In Progress	June 2025
Data Loss Prevention	Moderate	ICT Acceptable Use Policy reviewed and updated. Proactive technical controls to be explored.	In Progress	June 2025
Physical and Environmental Security	Moderate	Solutions are currently cost-prohibitive, but review is ongoing.	Not started	June 2025
Vulnerability Management	Moderate	Information Security Policy to be developed.	In Progress	June 2025
Disaster Recovery	Minor	Draft Disaster Recovery testing procedure prepared and test scheduled.	In progress	December 2024
Synergy Finance Application – User Access Management	Minor	ICT Access Control Policy implemented and periodic access reviews conducted.	Complete	N/A
IT Governance – Standards, Policies and Procedures	Minor	Risk Management Framework adopted in September 2024. Change Management and Incident Management Procedures approved in November 2024. Information Security Policy to be developed.	In Progress	June 2025

The Town has recently entered into an agreement with the Office of Digital Government's (DGov) Cyber Security Unit to participate in the Local Government Cyber Security Uplift Pilot Project, in partnership with the Department of Local Government, Sport and Cultural Industries and DGov. The pilot project runs to June 2026 and aims to develop a roadmap to systematically reduce cyber security risks. An

Information Security Policy for the Town will be developed as part of this project, addressing some of the above findings and recommendations.

## Statutory Requirements

The Audit and Governance Committee meets at least four times each year to carry out its functions under the Audit and Governance Committee Charter (the Charter). The Charter specifies the authority, objectives and responsibilities of the Committee and governs its membership and meeting requirements.

*Local Government (Audit) Regulations 1996*, Regulation 16, states:

An audit committee has the following functions —

- (a) *to guide and assist the local government in carrying out —*
  - (i) *its functions under Part 6 of the Act; and*
  - (ii) *its functions relating to other audits and other matters related to financial management.*
- (b) *to guide and assist the local government in carrying out the local government's functions in relation to audits conducted under Part 7 of the Act.*
- (c) *to review a report given to it by the CEO under regulation 17(3) (the CEO's report) and is to —*
  - (i) *report to the council the results of that review; and*
  - (ii) *give a copy of the CEO's report to the council.*
- (d) *to monitor and advise the CEO when the CEO is carrying out functions in relation to a review under —*
  - (i) *regulation 17(1); and*
  - (ii) *the Local Government (Financial Management) Regulations 1996 regulation 5(2)(c).*
- (e) *to support the auditor of the local government to conduct an audit and carry out the auditor's other duties under the Act in respect of the local government.*
- (f) *to oversee the implementation of any action that the local government —*
  - (i) *is required to take by section 7.12A(3);*
  - (ii) *has stated it has taken or intends to take in a report prepared under section 7.12A(4)(a);*
  - (iii) *has accepted should be taken following receipt of a report of a review conducted under regulation 17(1); and*
  - (iv) *has accepted should be taken following receipt of a report of a review conducted under the Local Government (Financial Management) Regulations 1996 regulation 5(2)(c).*
- (g) *to perform any other function conferred on the audit committee by these regulations or another written law*

## Financial Considerations

Prior to the audit, the OAG advised that the indicative fee for the audit was \$65,000.

## Risk Management Implications

### Financial Risk

Medium

### Reputational

Medium

Risks are detailed in the auditor's closing report and management letter (**Confidential Attachments 1 and 2**).

## Declaration of Conflicts of Interest

All officers involved in the preparation of this report have considered and determined that they do not have a conflict of interest in the matter.

## Officer Recommendation – Item 9.1

That the Committee:

1. Recommends that Council endorse the Audited Annual Financial Statements for the year ended 30 June 2024 (**Attachment 1**).
2. Receives the draft Independent Auditor's Report (**Attachment 2**).
3. Receives the Auditor's Closing Report (**Confidential Attachment 1**).
4. Notes the findings identified during the Information Technology General Controls Audit (Management Letter) and management responses to those findings (**Confidential Attachment 2**).

## Voting requirements: Simple Majority

## Committee Resolution/Officer Recommendation – Item 9.1

MOVED Ms Sasha Rademakers, Seconded Cr Paul Poliwka,

That the Committee:

1. Recommends that Council endorse the Audited Annual Financial Statements for the year ended 30 June 2024 (**Attachment 1**).
2. Receives the draft Independent Auditor's Report (**Attachment 2**).
3. Receives the Auditor's Closing Report (**Confidential Attachment 1**).

4. Notes the findings identified during the Information Technology General Controls Audit (Management Letter) and management responses to those findings (**Confidential Attachment 2**).

### Voting requirements: Simple Majority

### AGC 2024-11-19/3

CARRIED UNANIMOUSLY 4/0

**For:** Cr Ken John, Cr Paul Poliwka, Ms Sasha Rademakers and Cr Kathryn Hamilton

**Against:** Nil

<b>9.2 Investment Policy Review</b>	
<b>Property Address</b>	N/A
<b>Landowner/Applicant</b>	N/A
<b>File Reference</b>	FINM/POLCY/1
<b>Department</b>	Corporate Services,
<b>Previous Reports</b>	AGC-1/11/22
<b>Authority/Discretion</b>	<b>Executive</b> The substantial direction setting and oversight role of the Council.
<b>Attachments</b>	<ol style="list-style-type: none"> <li>1. Draft Amended Investment Policy 2024 [9.2.1 - 3 pages]</li> <li>2. LG Investment Policy Comparison Summary [9.2.2 - 4 pages]</li> <li>3. CONFIDENTIAL - ToB Investment Comparison Calculation [9.2.3 - 1 page]</li> </ol>

### Purpose

The purpose of this report is to present a draft amended Investment Policy for the Town to the Audit and Governance Committee for the Committee's review and recommendation to Council.

### Background

The Committee last reviewed the Town's Investment Policy in December 2022, and the policy is due for review in December 2024.

The administration has reviewed the Investment Policy and is of the view that it remains current and fit for purpose in all but one respect, being the quantum of the

interest rate differential allowed for authorised deposit taking institutions (ADIs) that do not provide lending to fossil fuel industries. Consequently, a reduction in that interest rate differential is proposed.

## Proposal

That the Committee recommends to Council that it adopt the draft amended Investment Policy, attached to this report (**Attachment 1**).

## Communication and Engagement

Nil. The Investment Policy has been subject to administrative review.

## Strategic Implications

### Performance Area 5: Performance

9.1 Continuously improve operational performance and service delivery.

## Comment

The Town reviewed Local Governments in the Perth metropolitan area for Investment Policy provisions relating to:

- Portfolio and individual institution deposit limits
- Non-fossil fuel investment policies.

### Deposit Limits

The Town's Investment Policy prescribes limits for ADIs rated as A-1 of 100% and A-2 of 70%, meaning the Town may invest all of its available funds in A-1 rated ADIs, with a maximum of 70% in A-2 rated ADIs. While most Local Governments have the same maximum for A-1 rated ADIs, the limit for A-2 rated ADIs varied from 20% to 80%.

For individual ADIs, the Town prescribes limits for an ADI rated as A-1 of 50% and A-2 of 30%, meaning the Town may invest up to 50% of its available funds in an A-1 rated ADI, and up to 30% in an A-2 rated ADI. The range for other Local Governments was 35% to 50% for an A-1 rated ADI and 5% to 40% for an A-2 rated ADI.

The administration considers the current limits in the Town's Investment Policy to be appropriate. Consequently, no change to the existing policy is recommended. While the Town's limits are toward the upper end for the Local Governments benchmarked, this is considered appropriate to allow the Town sufficient flexibility to properly implement the policy including provision for non-fossil fuel investment.

### Non-Fossil Fuel Differential

The Town's Investment Policy provides a significant interest rate differential of 50 basis points, subject to the interest rate being at least 90% of that available for comparable investments. The quantum of this differential is considered excessive to the Town's needs and a lower differential is sufficient to advance the non-fossil fuel objectives of the Investment Policy, which protecting the Town's revenue from investment earnings.

Of the 15 Local Governments benchmarked, 11 have a specific clause relating to non-fossil fuel investment, including the Town. Only one other Local Government offers an interest rate differential for non-fossil fuel investments, being the City of Belmont with an allowance of 5 basis points.

For most Local Governments in the Perth metropolitan region the prevailing considerations for an investment are preservation of capital, liquidity and investment return (as they are for the Town), notwithstanding provisions made for non-fossil fuel investment.

The Local Government comparison is shown in **Attachment 2**.

Analysis of the Town's investments since 1 July 2024 has shown that an interest rate differential of 50 basis points is higher than what is required to achieve the objectives of its Investment Policy and exposes the Town to unnecessary financial risk. For 14 investments during that period, the Town has obtained an interest rate differential of between 3 and 20 basis points with non-fossil fuel lending ADIs. All but three investments were made with an interest rate differential of 15 basis points or less, and 9 of the 14 investments were made with an interest rate differential of ten basis points or less. This shown in **Confidential Attachment 1**.

Consequently, it is recommended that the interest rate differential applicable to non-fossil fuel lending ADIs in the Town's Investment Policy be reduced from 50 basis points to 10 basis points, to balance the policy objective for non-fossil fuel lending ADI investment, with protecting the Town's revenue. The interest rate differential accepted by the Town would still be double that of the only other Local Governments benchmarked.

## **Statutory Requirements**

*Local Government Act 1995:*

### *6.14. Power to invest*

*(1) Money held in the municipal fund or the trust fund of a local government that is not, for the time being, required by the local government for any other purpose may be invested as trust funds may be invested under the Trustees Act 1962 Part III.*

- (2A) A local government is to comply with the regulations when investing money referred to in subsection (1).
- (2) Regulations in relation to investments by local governments may —
- (a) make provision in respect of the investment of money referred to in subsection (1); and
  - [(b) deleted]
  - (c) prescribe circumstances in which a local government is required to invest money held by it; and
  - (d) provide for the application of investment earnings; and
  - (e) generally provide for the management of those investments.

*Local Government (Financial Management) Regulations 1996:*

*19C. Investment of money, restrictions on (Act s. 6.14(2)(a))*

(1) In this regulation —

**authorised institution** means —

- (a) an authorised deposit-taking institution as defined in the Banking Act 1959 (Commonwealth) section 5; or
- (b) the Western Australian Treasury Corporation established by the Western Australian Treasury Corporation Act 1986;

**foreign currency** means a currency except the currency of Australia.

(2) When investing money under section 6.14(1), a local government may not do any of the following —

- (a) deposit with an institution except an authorised institution;
- (b) deposit for a fixed term of more than 3 years;
- (c) invest in bonds that are not guaranteed by the Commonwealth Government, or a State or Territory government;
- (d) invest in bonds with a term to maturity of more than 3 years;
- (e) invest in a foreign currency.

## **Financial Considerations**

The foregone revenue when comparing the interest income that could have been derived with the maximum interest rate available at the time of each investment, was \$7,692 for investments made between 26 July 2024 and 25 October 2024. While the proposed amendment to the Investment Policy is likely to reduce that loss only slightly, it lowers the cap for the Town's potential loss in interest revenue.

## **Risk Management Implications**

### Financial Risk

Low

While the non-fossil fuel ADI interest rate differential generally results in a lower return on the Town's investments, as outlined above, the quantum is small in the context of the Town's overall revenue from all sources.

### **Declaration of Conflicts of Interest**

All officers involved in the preparation of this report have considered and determined that they do not have a conflict of interest in the matter.

### **Officer Recommendation – Item 9.2**

That the Audit and Governance Committee recommends that Council adopts the draft amended Investment Policy attached to this report.

### **Voting requirements: Simple Majority**

### **Committee Resolution/Officer Recommendation – Item 9.2**

MOVED Cr Paul Poliwka, Seconded Cr Kathryn Hamilton,

That the Audit and Governance Committee recommends that Council adopts the draft amended Investment Policy attached to this report.

### **Voting requirements: Simple Majority**

### **AGC 2024-11-19/5**

CARRIED UNANIMOUSLY 4/0

**For:** Cr Ken John, Cr Paul Poliwka, Ms Sasha Rademakers and Cr Kathryn Hamilton

**Against:** Nil

Guests left the meeting at 5:55pm

Mayor Kathryn Hamilton left the meeting at 6:02pm

<b>9.3 Fraud and Corruption Policy Review</b>	
<b>Property Address</b>	N/A
<b>Landowner/Applicant</b>	N/A
<b>File Reference</b>	GOVN/REPRTNG/2
<b>Department</b>	Chief Executive Officer
<b>Previous Reports</b>	
<b>Authority/Discretion</b>	<b>Executive</b> The substantial direction setting and oversight role of the Council.
<b>Attachments</b>	<ol style="list-style-type: none"> <li>1. Draft Amended Fraud and Corruption Policy [9.3.1 - 3 pages]</li> <li>2. CONFIDENTIAL - Draft Amended Fraud and Corruption Control Plan [9.3.2 - 25 pages]</li> </ol>

### **Purpose**

The purpose of this report is to present a draft amended Fraud and Corruption Policy and Fraud and Corruption Control Plan to the Audit and Governance Committee for review.

### **Background**

Council adopted the Town's Fraud and Corruption Policy in March 2022, and it was due for review in March 2024. The Fraud and Corruption Policy is supported by a Fraud and Corruption Control Plan, endorsed by this Committee in March 2022.

### **Proposal**

That the Committee endorse the draft amended Fraud and Corruption Control Plan (**Confidential Attachment 1**) and recommends to Council that it adopts the draft amended Fraud and Corruption Policy (**Attachment 1**).

### **Communication and Engagement**

Nil. The Fraud and Corruption Policy and Fraud and Corruption Control Plan were subject to administrative review.

### **Strategic Implications**

#### **Performance Area 5: Performance**

9.1 Continuously improve operational performance and service delivery.

### **Comment**

The Fraud and Corruption Policy has been reviewed, and it is considered by the administration to remain relevant and fit for purpose. No amendments of substance are proposed. The draft amended policy is attached as **Attachment 1**, with tracked changes.

The Fraud and Corruption Control Plan has been reviewed, and it is considered by the administration to remain relevant and fit for purpose, although the following changes of substance are proposed:

- Replacement of the Introduction with a CEO Introductory Statement
- Updating the role of the Audit and Governance Committee to reflect the new Committee Charter, adopted by Council in June 2024.

The draft amended plan is attached as **Confidential Attachment 1**, with tracked changes.

The attachment to the Fraud and Corruption Control Plan is a list of recommended “Action Items” to fully implement the Plan. The progress against those action items is summarised in Table 1.

Table 1: Fraud and Corruption Control Plan – Action Items

	<b>Action</b>	<b>Time</b>	<b>Responsibility</b>	<b>Status</b>
1	Appointment of a Fraud and Corruption Control Officer	December 2024	CEO	Complete
2	CEO introductory statement of commitment to fraud and corruption control	December 2024	CEO	Complete
3	Fraud and Corruption Incident Register to be created and maintained	December 2024	Manager Governance & Strategy	Complete
4	Review induction content provided to new employees and contractors	March 2025	Manager HR, Coordinator Procurement	Complete
5	Exit interviews to include fraud and corruption elements	March 2025	Manager HR	Complete
6	Creating and advertising avenues for staff,	March 2025	DCS	In progress. Delayed due to difficulty pursuing anonymous reporting mechanisms.

	the public and suppliers to report concerns			
7	Annual written confirmation by employees with the Employee Code of Conduct, Fraud and Corruption Policy and FCCP	March 2025	Manager Governance & Strategy	In Progress. Manager HR has developed a method to facilitate via SharePoint.  Microsoft licenses procured to facilitate unique accounts for all Town staff. Rollout commenced.
8	Fraud and corruption control is incorporated into the performance management system and incorporated into leadership team PD's	June 2025	CEO, Manager HR	Planned for the first half of 2025.
9	Fraud risks across the organisation are identified, assessed and documented, with adequate controls in place	Ongoing	Manager Governance & Strategy	In progress. Fraud risks have been identified, with treatments to be determined as part of the broader organisational risk review.
10	Fraud prevention and awareness training, newsletters and presentations to communicate ethical standards	Ongoing	Manager Governance & Strategy	In progress. Manager HR has commenced preparation of an awareness training package.
11	Ongoing Code of Conduct training and elements of the Integrity Framework	Ongoing	Manager Governance & Strategy	Code of Conduct requires review.

It is acknowledged that progress against some action items has not been as comprehensive as would be desirable. A further report to the Committee will be prepared for the first meeting of the Committee after June 2025, by which time all action items should be implemented.

### **Statutory Requirements**

#### *Corruption, Crime and Misconduct Act 2003*

The Chief Executive Officer of the Town has a duty to notify the Corruption and Crime Commission in writing of any matter which the CEO suspects on reasonable grounds concerns or may concern serious misconduct (Section 28). Serious misconduct includes fraud and corruption.

An appropriate Fraud and Corruption Control Plan, with effective measures in place to prevent, detect and respond to suspected fraud or corruption is essential to enable the CEO to discharge this duty to notify the CCC.

### **Financial Considerations**

Implementation of some elements of the action plan to give effect to the Fraud and Corruption Control Plan may require additional funds and will be the subject of separate budget submissions as and when required. The Town's Purchasing Policy and Procurement Framework will govern any required engagements.

### **Risk Management Implications**

#### Financial Risk

Medium

#### Reputational

Medium

The risks of fraud and corruption are well-known and ever-present. Organisations subject to fraud or corruption incidents have consistently been shown to suffer financial loss and significant reputational damage.

A robust fraud and corruption control framework is effective in mitigating fraud and corruption risk. Effective internal controls, informed by a fraud and corruption risk assessment and supported by an anti-fraud and corruption culture and appropriate training is effective in mitigating fraud and corruption risk and in facilitating early detection should incidents occur.

### **Declaration of Conflicts of Interest**

All officers involved in the preparation of this report have considered and determined that they do not have a conflict of interest in the matter.

### **Officer Recommendation – Item 9.3**

That the Audit and Governance Committee:

1. Endorses the draft amended Fraud and Corruption Control Plan, attached to this report as **Confidential Attachment 1**.
2. Notes the action taken to implement the action items identified in the Fraud and Corruption Control Plan.
3. Recommends to Council that it adopts the draft amended Fraud and Corruption Policy, attached to this report as **Attachment 1**.

**Voting requirements: Simple Majority**

### **Committee Resolution/Officer Recommendation – Item 9.3**

MOVED Ms Sasha Rademakers, Seconded Cr Paul Poliwka,

That the Audit and Governance Committee:

4. Endorses the draft amended Fraud and Corruption Control Plan, attached to this report as **Confidential Attachment 1**.
5. Notes the action taken to implement the action items identified in the Fraud and Corruption Control Plan.
6. Recommends to Council that it adopts the draft amended Fraud and Corruption Policy, attached to this report as **Attachment 1**.

**Voting requirements: Simple Majority**

### **AGC 2024-11-19/6**

**CARRIED UNANIMOUSLY 3/0**

**For:** Cr Ken John, Cr Paul Poliwka and Ms Sasha Rademakers

**Against:** Nil

<b>9.4 Audit Findings Log</b>	
<b>Property Address</b>	N/A
<b>Landowner/Applicant</b>	N/A
<b>File Reference</b>	GOVN/CCLMEET/1
<b>Department</b>	Office of the CEO,
<b>Previous Reports</b>	
<b>Authority/Discretion</b>	<b>Executive</b> The substantial direction setting and oversight role of the Council.
<b>Attachments</b>	1. CONFIDENTIAL - December 2024 Audit Findings Log [9.4.1 - 5 pages]

### **Purpose**

The purpose of this report is to provide the Audit and Governance Committee with the Town's Audit Findings Log, with updated actions since the meeting of the Committee on 4 September 2024.

### **Background**

The Audit Findings Log presents a summary of the audit findings and recommendations made in recent internal and external audit reports relating to the Town.

### **Proposal**

For the Audit and Governance Committee to receive the Audit Findings Log and consider the action taken or proposed to be taken to address the recommendations.

### **Communication and Engagement**

Nil.

### **Strategic Implications**

#### **Performance Area 5: Performance**

9.1 Continuously improve operational performance and service delivery.

### **Comment**

The Office of the Auditor General and RSM Australia Pty Ltd have completed the annual audit of the Town's financial statements for 2023/24. That audit is the subject of a separate report for this meeting of the Committee.

The Town's Internal Auditors Paxon Group have commenced two important audits:

- Review of risk management, internal control and legislative compliance, pursuant to Regulation 17 of the *Local Government (Audit) Regulations 1996*
- Review of the appropriateness and effectiveness of the financial management systems and procedures, pursuant to Regulation 5(2)(c) of the *Local Government (Financial Management) Regulations 1996*.

The results of the above two audits will be reported to a meeting of the Committee in the first half of 2025.

### **Statutory Requirements**

The Audit and Governance Committee meets at least four times each year to carry out its functions under its Charter, which specifies the authority, objectives and responsibilities of the Committee and governs its membership and meeting requirements. Regulation 16 of the *Local Government (Audit) Regulations 1996* specifies the functions of audit committees.

### **Financial Considerations**

Implementation of some audit recommendations may require additional funds and will be the subject of separate budget submissions as and when required. The Town's Purchasing Policy and Procurement Framework will govern any required Engagements.

### **Risk Management Implications**

#### Compliance

Low

#### Financial Risk

Low

#### Reputational

Low

Risk implications are detailed in the Audit Findings Log.

### **Declaration of Conflicts of Interest**

All officers involved in the preparation of this report have considered and determined that they do not have a conflict of interest in the matter.

**Officer Recommendation – Item 9.4**

That the Audit and Governance Committee receives the Audit Findings Log and notes the action taken or proposed to be taken, to address the recommendations.

**Voting requirements: Simple Majority**

**Committee Resolution/Officer Recommendation – Item 9.4**

MOVED Cr Paul Poliwka, Seconded Ms Sasha Rademakers,

That the Audit and Governance Committee receives the Audit Findings Log and notes the action taken or proposed to be taken, to address the recommendations.

**Voting requirements: Simple Majority**

**AGC 2024-11-19/7**

CARRIED UNANIMOUSLY 3/0

**For:** Cr Ken John, Cr Paul Poliwka and Ms Sasha Rademakers

**Against:** Nil

**10 Motions of Which Previous Notice Has Been Given**

Nil.

**11 Announcements of Notices of Motion for the Next Meeting**

Nil.

**12 Confidential Business**

Nil.

### **13 Closure**

The next Audit and Governance Committee will be held on Wednesday 12 March 2025 commencing at 5.30pm.

Committee Meeting Dates for 2025:

11 June 2025

10 September 2025

10 December 2025

There being no further business, the Presiding Member declared the meeting closed, the time being 6:18pm.



## Bassendean – Compliance Audit Return

Commercial Enterprises by Local Governments				
No	Reference	Question	Response	Comments
1	s3.59(2)(a) F&G Regs 7,9,10	Has the local government prepared a business plan for each major trading undertaking that was not exempt in 2024?	N/A	
2	s3.59(2)(b) F&G Regs 7,8A, 8, 10	Has the local government prepared a business plan for each major land transaction that was not exempt in 2024?	N/A	
3	s3.59(2)(c) F&G Regs 7,8A, 8,10	Has the local government prepared a business plan before entering into each land transaction that was preparatory to entry into a major land transaction in 2024?	N/A	
4	s3.59(4)	Has the local government complied with public notice and publishing requirements for each proposal to commence a major trading undertaking or enter into a major land transaction or a land transaction that is preparatory to a major land transaction for 2024?	N/A	
5	s3.59(5)	During 2024, did the council resolve to proceed with each major land transaction or trading undertaking by absolute majority?	N/A	

Delegation of Power/Duty				
No	Reference	Question	Response	Comments
1	s5.16 (1)	Were all delegations to committees resolved by absolute majority?	N/A	
2	s5.16 (2)	Were all delegations to committees in writing?	N/A	
3	s5.17	Were all delegations to committees within the limits specified in section 5.17 of the Local Government Act 1995?	N/A	
4	s5.18	Were all delegations to committees recorded in a register of delegations?	N/A	
5	s5.18	Has council reviewed delegations to its committees in the 2023/2024 financial year?	Yes	Council Resolution/Officer Recommendation – Item 12.4 MOVED Cr Ken John, Seconded Cr Tallan Ames That Council:



				<p>1. In accordance with Section 5.46.(2) of the Local Government Act 1995, confirms review of its delegations to the Audit and Governance Committee, Complaints Committee, and to the Chief Executive Officer, and</p> <p>2. In accordance with Section 5.42.(1) of the Local Government Act 1995, adopts the amendments to the Delegations Register and any amended delegations of authority to the Chief Executive Officer as provided in the attachment to this report.</p> <p>Voting requirements: Absolute Majority OCM 2024-04-30/6 CARRIED UNANIMOUSLY 6/0</p>
<b>6</b>	s5.42(1) & s5.43 Admin Reg 18G	Did the powers and duties delegated to the CEO exclude those listed in section 5.43 of the Local Government Act 1995?	Yes	
<b>7</b>	s5.42(1)	Were all delegations to the CEO resolved by an absolute majority?	Yes	See Q. 5
<b>8</b>	s5.42(2)	Were all delegations to the CEO in writing?	Yes	See Delegations Register <a href="https://www.bassendean.wa.gov.au/delegations-register.aspx">https://www.bassendean.wa.gov.au/delegations-register.aspx</a>
<b>9</b>	s5.44(2)	Were all delegations by the CEO to any employee in writing?	Yes	CEO signed Certificates of Authorisation are issued to relevant employees.
<b>10</b>	s5.16(3)(b) & s5.45(1)(b)	Were all decisions by the Council to amend or revoke a delegation made by absolute majority?	Yes	
<b>11</b>	s5.46(1)	Has the CEO kept a register of all delegations made under Division 4 of the Act to the CEO and to employees?	Yes	See Delegations Register <a href="https://www.bassendean.wa.gov.au/delegations-register.aspx">https://www.bassendean.wa.gov.au/delegations-register.aspx</a>
<b>12</b>	s5.46(2)	Were all delegations made under Division 4 of the Act reviewed by the delegator at least once during the 2023/2024 financial year?	Yes	OCM 30/04/2024
<b>13</b>	s5.46(3) Admin Reg 19	Did all persons exercising a delegated power or duty under the Act keep, on all occasions, a written record in accordance with Local Government (Administration) Regulations 1996, regulation 19?	Yes	



Disclosure of Interest				
No	Reference	Question	Response	Comments
1	s5.67	Where a council member disclosed an interest in a matter and did not have participation approval under sections 5.68 or 5.69 of the Local Government Act 1995, did the council member ensure that they did not remain present to participate in discussion or decision making relating to the matter?	Yes	
2	s5.68(2) & s5.69(5) Admin Reg 21A	Were all decisions regarding participation approval, including the extent of participation allowed and, where relevant, the information required by the Local Government (Administration) Regulations 1996 regulation 21A, recorded in the minutes of the relevant council or committee meeting?	N/A	No matters relating to gifts were required to be recorded in the Minutes during 2024.
3	s5.73	Were disclosures under sections 5.65, 5.70 or 5.71A(3) of the Local Government Act 1995 recorded in the minutes of the meeting at which the disclosures were made?	Yes	
4	s5.75 Admin Reg 22, Form 2	Was a primary return in the prescribed form lodged by all relevant persons within three months of their start day?	No	One relevant person did not lodge within three months of their start date. This matter was reported and resolved.
5	s5.76 Admin Reg 23, Form 3	Was an annual return in the prescribed form lodged by all relevant persons by 31 August 2024?	Yes	
6	s5.77	On receipt of a primary or annual return, did the CEO, or the Mayor/President, give written acknowledgment of having received the return?	Yes	A record of the acknowledgment memo is kept in a Register within the Town's system.
7	s5.88(1) & (2)(a)	Did the CEO keep a register of financial interests which contained the returns lodged under sections 5.75 and 5.76 of the Local Government Act 1995?	Yes	A Register of Financial Interests for Council Members and Officers is kept in the office of the Manager Governance & Strategy.
8	s5.88(1) & (2)(b) Admin Reg 28	Did the CEO keep a register of financial interests which contained a record of disclosures made under sections 5.65, 5.70, 5.71 and 5.71A of the Local Government Act 1995, in the form prescribed in the Local Government (Administration) Regulations 1996, regulation 28?	Yes	A Register of Financial Interests for Council Members and Officers is kept in the office of the Manager Governance & Strategy.
9	s5.88(3)	When a person ceased to be a person required to lodge a return under sections 5.75 and 5.76 of the Local Government Act 1995, did the CEO remove from the register all returns relating to that person?	Yes	
10	s5.88(4)	Have all returns removed from the register in accordance with section 5.88(3) of the Local Government Act 1995 been kept for a period of at least five years	Yes	A Register for all former Elected Members and former Officers is kept in the office of the



		after the person who lodged the return(s) ceased to be a person required to lodge a return?		Manager Governance & Strategy for a period of five years.
11	s5.89A(1), (2) & (3) Admin Reg 28A	Did the CEO keep a register of gifts which contained a record of disclosures made under sections 5.87A and 5.87B of the Local Government Act 1995, in the form prescribed in the Local Government (Administration) Regulations 1996, regulation 28A?	Yes	
12	s5.89A(5) & (5A)	Did the CEO publish an up-to-date version of the gift register on the local government's website?	Yes	
13	s5.89A(6)	When people cease to be a person who is required to make a disclosure under section 5.87A or 5.87B of the Local Government Act 1995, did the CEO remove from the register all records relating to those people?	Yes	
14	s5.89A(7)	Have copies of all records removed from the register under section 5.89A(6) of the Local Government Act 1995 been kept for a period of at least five years after the person ceases to be a person required to make a disclosure?	Yes	
15	s5.70(2) & (3)	Where an employee had an interest in any matter in respect of which the employee provided advice or a report directly to council or a committee, did that person disclose the nature and extent of that interest when giving the advice or report?	Yes	The author of report 12.2 of the 28 May 2024 OCM Agenda declared an impartiality interest and provided the nature and extent of that interest.
16	s5.71A & s5.71B(5)	Where council applied to the Minister to allow the CEO to provide advice or a report to which a disclosure under section 5.71A(1) of the Local Government Act 1995 relates, did the application include details of the nature of the interest disclosed and any other information required by the Minister for the purposes of the application?	N/A	
17	s5.71B(6) & s5.71B(7)	Was any decision made by the Minister under section 5.71B(6) of the Local Government Act 1995, recorded in the minutes of the council meeting at which the decision was considered?	N/A	
18	s5.104(1)	Did the local government prepare and adopt, by absolute majority, a code of conduct to be observed by council members, committee members candidates that incorporates the model code of conduct?	Yes	OCM 19/11/2024
19	s5.104(3) & (4)	Did the local government adopt additional requirements in addition to the model code of conduct? If yes, does it comply with section 5.104(3) and (4) of the Local Government Act 1995?	No	



<b>20</b>	s5.104(7)	Has the CEO published an up-to-date version of the code of conduct for council members, committee members and candidates on the local government's website?	Yes	
<b>21</b>	s5.51A(1) & (3)	Has the CEO prepared and implemented a code of conduct to be observed by employees of the local government? If yes, has the CEO published an up-to-date version of the code of conduct for employees on the local government's website?	Yes	

#### Disposal of Property

No	Reference	Question	Response	Comments
<b>1</b>	s3.58(3)	Where the local government disposed of property other than by public auction or tender, did it dispose of the property in accordance with section 3.58(3) of the Local Government Act 1995 (unless section 3.58(5) applies)?	Yes	
<b>2</b>	s3.58(4)	Where the local government disposed of property under section 3.58(3) of the Local Government Act 1995, did it provide details, as prescribed by section 3.58(4), in the required local public notice for each disposal of property?	N/A	

#### Elections

No	Reference	Question	Response	Comments
<b>1</b>	Elect Regs 30G(1) & (2)	Did the CEO establish and maintain an electoral gift register and ensure that all disclosure of gifts forms completed by candidates and donors and received by the CEO were placed on the electoral gift register at the time of receipt by the CEO and in a manner that clearly identifies and distinguishes the forms relating to each candidate in accordance with regulations 30G(1) and 30G(2) of the Local Government (Elections) Regulations 1997?	N/A	No Local Government Election held in 2024



<b>2</b>	Elect Regs 30G(3) & (4)	Did the CEO remove any disclosure of gifts forms relating to an unsuccessful candidate, or a successful candidate that completed their term of office, from the electoral gift register, and retain those forms separately for a period of at least two years in accordance with regulation 30G(4) of the Local Government (Elections) Regulations 1997?	N/A	No Local Government Election held in 2024  No Disclosure of Electoral Gifts were notified for the 2023 Local Government Elections
<b>3</b>	Elect Regs 30G(5) & (6)	Did the CEO publish an up-to-date version of the electoral gift register on the local government's official website in accordance with regulation 30G(5) of the Local Government (Elections) Regulations 1997?	N/A	No Local Government Election held in 2024. An up-to-date register is on the Town of Bassendean official website <a href="https://www.bassendean.wa.gov.au/documents/1348/electoral-gifts-register">https://www.bassendean.wa.gov.au/documents/1348/electoral-gifts-register</a>

Finance				
No	Reference	Question	Response	Comments
<b>1</b>	s7.1A	Has the local government established an audit committee and appointed members by absolute majority in accordance with section 7.1A of the Local Government Act 1995?	Yes	
<b>2</b>	s7.1B	Where the council delegated to its audit committee any powers or duties under Part 7 of the Local Government Act 1995, did it do so by absolute majority?	Yes	
<b>3</b>	s7.9(1)	Was the auditor's report for the financial year ended 30 June 2024 received by the local government by 31 December 2024?	Yes	
<b>4</b>	s7.12A(3)	Where the local government determined that matters raised in the auditor's report prepared under section 7.9(1) of the Local Government Act 1995 required action to be taken, did the local government ensure that appropriate action was undertaken in respect of those matters?	Yes	Audit Findings Log
<b>5</b>	s7.12A(4)(a) & (4)(b)	Where matters identified as significant were reported in the auditor's report, did the local government prepare a report that stated what action the local government had taken or intended to take with respect to each of those matters? Was a copy of the report given to the Minister within three months of the audit report being received by the local government?	N/A	



6	s7.12A(5)	Within 14 days after the local government gave a report to the Minister under section 7.12A(4)(b) of the Local Government Act 1995, did the CEO publish a copy of the report on the local government's official website?	N/A	
7	Audit Reg 10(1)	Was the auditor's report for the financial year ending 30 June 2024 received by the local government within 30 days of completion of the audit?	Yes	

**Local Government Employees**

No	Reference	Question	Response	Comments
1	s5.36(4) & s5.37(3) Admin Reg 18A	Were all CEO and/or senior employee vacancies advertised in accordance with Local Government (Administration) Regulations 1996, regulation 18A?	N/A	N/A for this reporting period
2	Admin Reg 18E	Was all information provided in applications for the position of CEO true and accurate?	N/A	N/A for this reporting period
3	Admin Reg 18F	Was the remuneration and other benefits paid to a CEO on appointment the same remuneration and benefits advertised for the position under section 5.36(4) of the Local Government Act 1995?	N/A	N/A for this reporting period
4	s5.37(2)	Did the CEO inform council of each proposal to employ or dismiss senior employee?	N/A	
5	s5.37(2)	Where council rejected a CEO's recommendation to employ or dismiss a senior employee, did it inform the CEO of the reasons for doing so?	N/A	

**Official Conduct**

No	Reference	Question	Response	Comments
1	s5.120	Has the local government designated an employee to be its complaints officer?	Yes	
2	s5.121(1) & (2)	Has the complaints officer for the local government maintained a register of complaints which records all complaints that resulted in a finding under section 5.110(2)(a) of the Local Government Act 1995?	Yes	



<b>3</b>	S5.121(2)	Does the complaints register include all information required by section 5.121(2) of the Local Government Act 1995?	Yes	
<b>4</b>	s5.121(3)	Has the CEO published an up-to-date version of the register of the complaints on the local government's official website?	Yes	

<b>Tenders for Providing Goods and Services</b>				
<b>No</b>	<b>Reference</b>	<b>Question</b>	<b>Response</b>	<b>Comments</b>
<b>1</b>	F&G Reg 11A(1) & (3)	Did the local government comply with its current purchasing policy, adopted under the Local Government (Functions and General) Regulations 1996, regulations 11A(1) and (3) in relation to the supply of goods or services where the consideration under the contract was, or was expected to be, \$250,000 or less or worth \$250,000 or less?	Yes	
<b>2</b>	s3.57 F&G Reg 11	Subject to Local Government (Functions and General) Regulations 1996, regulation 11(2), did the local government invite tenders for all contracts for the supply of goods or services where the consideration under the contract was, or was expected to be, worth more than the consideration stated in regulation 11(1) of the Regulations?	Yes	
<b>3</b>	F&G Regs 11(1), 12(2), 13, & 14(1), (3), and (4)	When regulations 11(1), 12(2) or 13 of the Local Government (Functions and General) Regulations 1996, required tenders to be publicly invited, did the local government invite tenders via Statewide public notice in accordance with Regulation 14(3) and (4)?	Yes	
<b>4</b>	F&G Reg 12	Did the local government comply with Local Government (Functions and General) Regulations 1996, Regulation 12 when deciding to enter into multiple contracts rather than a single contract?	N/A	
<b>5</b>	F&G Reg 14(5)	If the local government sought to vary the information supplied to tenderers, was every reasonable step taken to give each person who sought copies of the tender documents, or each acceptable tenderer notice of the variation?	Yes	
<b>6</b>	F&G Regs 15 & 16	Did the local government's procedure for receiving and opening tenders comply with the requirements of Local Government (Functions and General) Regulations 1996, Regulation 15 and 16?	Yes	



<b>7</b>	F&G Reg 17	Did the information recorded in the local government's tender register comply with the requirements of the Local Government (Functions and General) Regulations 1996, Regulation 17 and did the CEO make the tenders register available for public inspection and publish it on the local government's official website?	Yes	
<b>8</b>	F&G Reg 18(1)	Did the local government reject any tenders that were not submitted at the place, and within the time, specified in the invitation to tender?	Yes	
<b>9</b>	F&G Reg 18(4)	Were all tenders that were not rejected assessed by the local government via a written evaluation of the extent to which each tender satisfies the criteria for deciding which tender to accept?	Yes	
<b>10</b>	F&G Reg 19	Did the CEO give each tenderer written notice containing particulars of the successful tender or advising that no tender was accepted?	Yes	
<b>11</b>	F&G Regs 21 & 22	Did the local government's advertising and expression of interest processes comply with the requirements of the Local Government (Functions and General) Regulations 1996, Regulations 21 and 22?	N/A	
<b>12</b>	F&G Reg 23(1) & (2)	Did the local government reject any expressions of interest that were not submitted at the place, and within the time, specified in the notice or that failed to comply with any other requirement specified in the notice?	N/A	
<b>13</b>	F&G Reg 23(3) & (4)	Were all expressions of interest that were not rejected under the Local Government (Functions and General) Regulations 1996, Regulation 23(1) & (2) assessed by the local government? Did the CEO list each person as an acceptable tenderer?	N/A	
<b>14</b>	F&G Reg 24	Did the CEO give each person who submitted an expression of interest a notice in writing of the outcome in accordance with Local Government (Functions and General) Regulations 1996, Regulation 24?	N/A	
<b>15</b>	F&G Regs 24AD(2) & (4) and 24AE	Did the local government invite applicants for a panel of pre-qualified suppliers via Statewide public notice in accordance with Local Government (Functions & General) Regulations 1996 regulations 24AD(4) and 24AE?	N/A	
<b>16</b>	F&G Reg 24AD(6)	If the local government sought to vary the information supplied to the panel, was every reasonable step taken to give each person who sought detailed information about the proposed panel or each person who submitted an application notice of the variation?	N/A	



17	F&G Reg 24AF	Did the local government's procedure for receiving and opening applications to join a panel of pre-qualified suppliers comply with the requirements of Local Government (Functions and General) Regulations 1996, Regulation 16, as if the reference in that regulation to a tender were a reference to a pre-qualified supplier panel application?	N/A	
18	F&G Reg 24AG	Did the information recorded in the local government's tender register about panels of pre-qualified suppliers comply with the requirements of Local Government (Functions and General) Regulations 1996, Regulation 24AG?	N/A	
19	F&G Reg 24AH(1)	Did the local government reject any applications to join a panel of pre-qualified suppliers that were not submitted at the place, and within the time, specified in the invitation for applications?	N/A	
20	F&G Reg 24AH(3)	Were all applications that were not rejected assessed by the local government via a written evaluation of the extent to which each application satisfies the criteria for deciding which application to accept?	N/A	
21	F&G Reg 24AI	Did the CEO send each applicant written notice advising them of the outcome of their application?	N/A	
22	F&G Regs 24E & 24F	Where the local government gave regional price preference, did the local government comply with the requirements of Local Government (Functions and General) Regulations 1996, Regulation 24E and 24F?	N/A	

Integrated Planning and Reporting				
No	Reference	Question	Response	Comments
1	Admin Reg 19C	Has the local government adopted by absolute majority a strategic community plan? If Yes, please provide the adoption date or the date of the most recent review in the Comments section?	Yes	27/02/2024  Council adopted the Town of Bassendean Council Plan 2023-33 (which meets the requirements of Admin Reg 19C) on 27 February 2024. Carried Unanimously by Absolute Majority. Council Resolution– Item 12.4 OCM 2024-02-27/7



<b>2</b>	Admin Reg 19DA(1) & (4)	Has the local government adopted by absolute majority a corporate business plan? If Yes, please provide the adoption date or the date of the most recent review in the Comments section?	Yes	27/09/2022  Further, Council adopted the Town of Bassendean Council Plan 2023-33 (which meets the requirements of Admin Reg 19DA(1) & (4)) on 27 February 2024. Carried Unanimously by Absolute Majority. Council Resolution– Item 12.4 OCM 2024-02-27/7
<b>3</b>	Admin Reg 19DA(2) & (3)	Does the corporate business plan comply with the requirements of Local Government (Administration) Regulations 1996 19DA(2) & (3)?	Yes	

#### Optional Questions

No	Reference	Question	Response	Comments
<b>1</b>	Financial Management Reg 5(2)(c)	Did the CEO review the appropriateness and effectiveness of the local government's financial management systems and procedures in accordance with the Local Government (Financial Management) Regulations 1996 regulations 5(2)(c) within the three financial years prior to 31 December 2024? If yes, please provide the date of council's resolution to accept the report.	Yes	28/06/2022
<b>2</b>	Audit Reg 17	Did the CEO review the appropriateness and effectiveness of the local government's systems and procedures in relation to risk management, internal control and legislative compliance in accordance with Local Government (Audit) Regulations 1996 regulation 17 within the three financial years prior to 31 December 2024? If yes, please provide date of council's resolution to accept the report.	Yes	28/06/2022
<b>3</b>	s5.87C	Where a disclosure was made under sections 5.87A or 5.87B of the Local Government Act 1995, were the disclosures made within 10 days after receipt of the gift? Did the disclosure include the information required by section 5.87C of the Act?	Yes	



<b>4</b>	s5.90A(2) & (5)	Did the local government prepare, adopt by absolute majority and publish an up-to-date version on the local government’s website, a policy dealing with the attendance of council members and the CEO at events?	Yes	
<b>5</b>	s5.96A(1), (2), (3) & (4)	Did the CEO publish information on the local government’s website in accordance with sections 5.96A(1), (2), (3), and (4) of the Local Government Act 1995?	Yes	
<b>6</b>	s5.128(1)	Did the local government prepare and adopt (by absolute majority) a policy in relation to the continuing professional development of council members?	Yes	OCM 30/07/2024
<b>7</b>	s5.127	Did the local government prepare a report on the training completed by council members in the 2023/2024 financial year and publish it on the local government’s official website by 31 July 2024?	Yes	
<b>8</b>	s6.4(3)	By 30 September 2024, did the local government submit to its auditor the balanced accounts and annual financial report for the year ending 30 June 2024?	Yes	
<b>9</b>	s.6.2(3)	When adopting the annual budget, did the local government take into account all its expenditure, revenue and income?	Yes	

\_\_\_\_\_  
Chief Executive Officer

\_\_\_\_\_  
Date

\_\_\_\_\_  
Mayor/President

\_\_\_\_\_  
Date

## Fraud and Corruption Policy

### Objectives

The objective of this Policy is to demonstrate the Town's commitment to the prevention, detection and response to suspected fraudulent or corrupt conduct. The Town has zero tolerance for fraud or corruption and will take all reasonable steps ~~that~~ **are** necessary to prevent fraud and corruption occurring.

### Scope

This Policy applies to:

- (a) Employees;
- (b) ~~Elected Council~~ Members; and
- (c) External parties.

### Definitions

**'Employees'** for the purposes of this Policy include employees of the Town of Bassendean, contractors, secondments, volunteers, work experience students, trainees and interns.

**'External parties'** for the purposes of this Policy means persons involved in the provision of goods or services to the Town, including contractors, consultants and outsourced providers and suppliers.

### Policy statement

1. This Policy together with the Town's Fraud and Corruption Control Plan are core elements of good governance and establish an effective structure to address fraud and corruption risks and to detect and respond to incidences of suspected fraud and corruption in accordance with the best practice principles outlined in Australian Standard AS8001-2021 – 'Fraud and Corruption Control'.
2. The Fraud and Corruption Control Plan is a comprehensive plan to assist the Town to prevent, detect and respond to incidences of fraud or corruption. The Fraud and Corruption Control Plan prescribes roles and responsibilities for fraud and corruption control and details the required prevention, detection and response measures.
3. All employees, ~~Elected Council~~ Members and external parties dealing with the Town have an obligation to support efforts to reduce the risk of fraud or corruption by demonstrating behaviours that align to the Town's values, and by acting with integrity and professionalism in undertaking their functions.

4. The Town expects employees and ~~Elected-Council~~ Members to act in compliance with the respective Code of Conduct and the Town's Governance Framework and behave ethically and honestly when performing their functions and in their interactions with each other, the community and stakeholders.
5. The Chief Executive Officer ~~is responsible for implementing~~~~will ensure that~~ appropriate systems and procedures ~~are in place~~ to prevent, detect and respond to incidents of suspected fraudulent or corrupt behaviour.
6. The Town is committed to building a strong anti-fraud and corruption culture by regularly raising awareness of fraud and corruption risks and the requirements of the Town's fraud and corruption control framework. The Town will ensure employees, ~~Elected-Council~~ Members and external parties are aware of their responsibilities in respect to the prevention, detection and reporting of suspected fraudulent or corrupt conduct.
7. The Town will ~~provide~~~~ensure~~ appropriate and easily accessible reporting mechanisms ~~are in place~~ for employees, ~~Elected-Council~~ Members and external parties to report suspected fraudulent or corrupt activity, taking all reasonable steps to protect those making disclosures from acts of victimisation or reprisal.
8. All suspected instances of fraudulent or corrupt conduct will be investigated in accordance with relevant legislation and the principles of natural justice, with the appropriate reporting, disciplinary, prosecution and recovery actions initiated, where applicable.
9. The Chief Executive Officer will review the effectiveness of the Fraud and Corruption Control Plan biennially and present the outcome of the review to the Audit and Governance Committee.

<a href="#">Document Control Box</a>			
Document responsibilities:			
<b>Owner:</b>	Chief Executive Officer	<b>Owner Business Unit:</b>	Office of the Chief Executive Officer
<b>Inception date:</b>	OCM 14/03/22 22/03/2022 ( <del>Meeting Date</del> )	<b>Decision maker:</b>	Council
<b>Review date:</b>	<del>March-March 2026</del> <del>December 2024</del>	<b>Repeal and replace:</b>	
Compliance requirements:			
<b>Legislation</b>	<i>Local Government Act 1995</i> <i>Local Government (Administration) Regulations 1996</i> <i>Local Government (Model Code of Conduct) Regulations 1996</i> <i>Corruption, Crime and Misconduct Act 2003</i> <i>Public Interest Disclosure Act 2003</i> Fraud and Corruption Control Standards (AS8001-2021)		